



**FOR IMMEDIATE RELEASE**  
Monday, September 18, 2017

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## AUGUST REVENUES

**NASHVILLE**, Tenn. – Tennessee revenues were less than the budgeted estimates for the first month of the state's fiscal year. Finance and Administration Commissioner Larry Martin today reported that overall August revenues were \$980.7 million, which is \$32.5 million more than August 2016, and \$14.9 million less than the budgeted estimates. The growth rate for all taxes in August was 3.43%.

"Corporate tax receipts posted negative growth for the month, and also fell short of the budgeted estimate, but August is typically a very small revenue month in the corporate tax business cycle," Martin said. "Sales tax revenue reflecting July consumer activity recorded normal growth for today's economy, and were only nominally below the August estimate. All other tax revenues combined recorded positive growth for August, and were primarily driven by increases in our road user taxes resulting from last year's passage of the IMPROVE Act."

"While we are not discouraged by the August revenue numbers, we do have some concerns about the acceleration in U.S. credit card debt, the enormous property losses resulting from our two most recent hurricanes, and global stability. We will be watching closely for any negative effect these events may have on our national and Tennessee economy. It is important for us to maintain close controls on state spending and to monitor carefully our revenue trends."

On an accrual basis, August is the first month in the 2017-2018 fiscal year.

General fund revenues were \$19.2 million less than the August estimate. The four other funds that share in state tax revenues were \$4.3 million more than the estimates.

Sales tax revenues were \$2.4 million less than the estimate for August. The August growth rate was positive 3.16%.

Franchise and excise taxes combined were \$15.9 million less than the budgeted estimate of \$46.8 million.

Gasoline and motor fuel revenues increased by 23.11% from August of 2016, and were \$3.6 million more than the budgeted estimate of \$89.3 million.

Business tax revenues were \$0.4 million more than the August estimate.

Tobacco tax revenues for the month exceeded budgeted estimates by \$1.9 million.

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Gross Receipts tax revenues for August were \$2.9 million less than the budgeted estimate of \$12.8 million.

All other tax revenues exceeded budgeted estimates by a net of \$0.4 million.

The budgeted revenue estimates for 2017-2018 are based on the State Funding Board's consensus recommendation of November 29, 2016 and adopted by the first session of the 110<sup>th</sup> General Assembly in May 2017. Also incorporated in the estimates are any changes in revenue enacted during the 2017 session of the General Assembly. These estimates are available on the state's website at <http://www.tn.gov/finance/article/fa-budget-rev>.

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**Table 1**  
**Revenue Collections by Fund**  
**August**  
**2017-2018**

Fund	2017				2016		2017	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent	
General Fund	\$699,484,000	\$718,682,000	(\$19,198,000)	-2.67%	\$716,041,000	(\$16,557,000)	-2.31%	
Highway Fund	74,766,000	71,857,000	2,909,000	4.05%	58,981,000	15,785,000	26.76%	
Sinking Fund	30,224,000	30,262,000	(38,000)	-0.13%	34,044,000	(3,820,000)	-11.22%	
City & County Fund	155,916,000	154,467,000	1,449,000	0.94%	135,554,000	20,362,000	15.02%	
Earmarked Fund	20,334,000	20,333,000	1,000	0.00%	3,584,000	16,750,000	467.35%	
<b>Total</b>	<b>\$980,724,000</b>	<b>\$995,601,000</b>	<b>(\$14,877,000)</b>	<b>-1.49%</b>	<b>\$948,204,000</b>	<b>\$32,520,000</b>	<b>3.43%</b>	

**Revenue Collections by Tax**  
**August**  
**2017-2018**

Tax Source	2017				2016		2017	
	Actual	Budgeted	B/(W)	Percent	Actual	B/(W)	Percent	
Franchise & Excise	\$30,923,000	\$46,845,000	(\$15,922,000)	-33.99%	\$42,063,000	(\$11,140,000)	-26.48%	
Income	1,170,000	1,038,000	132,000	12.72%	1,192,000	(22,000)	-1.85%	
Inheritance & Estate	382,000	365,000	17,000	4.66%	2,729,000	(2,347,000)	-86.00%	
Gasoline	71,255,000	67,986,000	3,269,000	4.81%	56,224,000	15,031,000	26.73%	
Petroleum Special	6,231,000	5,730,000	501,000	8.74%	5,691,000	540,000	9.49%	
Tobacco	24,172,000	22,264,000	1,908,000	8.57%	22,093,000	2,079,000	9.41%	
Beer	1,537,000	1,582,000	(45,000)	-2.84%	1,492,000	45,000	3.02%	
Motor Vehicle Registration	25,386,000	24,946,000	440,000	1.76%	20,869,000	4,517,000	21.64%	
Motor Vehicle Title	1,872,000	2,008,000	(136,000)	-6.77%	1,938,000	(66,000)	-3.41%	
Mixed Drink	9,173,000	8,632,000	541,000	6.27%	8,324,000	849,000	10.20%	
Business	5,367,000	4,928,000	439,000	8.91%	7,259,000	(1,892,000)	-26.06%	
Privilege	26,938,000	26,972,000	(34,000)	-0.13%	20,918,000	6,020,000	28.78%	
Gross Receipts	9,916,000	12,768,000	(2,852,000)	-22.34%	14,254,000	(4,338,000)	-30.43%	
TVA - In Lieu of Tax Payments	27,827,000	27,826,000	1,000	0.00%	28,454,000	(627,000)	-2.20%	
Alcoholic Beverage	4,595,000	5,005,000	(410,000)	-8.19%	4,558,000	37,000	0.81%	
Sales and Use	718,479,000	720,917,000	(2,438,000)	-0.34%	696,481,000	21,998,000	3.16%	
Motor Vehicle Fuel	15,414,000	15,630,000	(216,000)	-1.38%	13,545,000	1,869,000	13.80%	
Severance	62,000	131,000	(69,000)	-52.67%	101,000	(39,000)	-38.61%	
Coin-operated Amusement	25,000	28,000	(3,000)	-10.71%	19,000	6,000	31.58%	
Unauthorized Substance	0	0	0	NA	0	0	NA	
<b>Total</b>	<b>\$980,724,000</b>	<b>\$995,601,000</b>	<b>(\$14,877,000)</b>	<b>-1.49%</b>	<b>\$948,204,000</b>	<b>\$32,520,000</b>	<b>3.43%</b>	